OLL 85-00669 27 February 1985

MEMORANDUM FOR: See Distribution:

VIA:

Acting Chief, Liaison Division, OLL

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FROM:

Liaison Division, OLL

SUBJECT:

H.R. 1018: To Establish a Commission to

Review Federal Retirement Systems

- 1. A copy of the subject bill and the introductory comments is attached. It was introduced on 20 February by Representative Bill Archer (R., TX) and referred to the Committee on Post Office and Civil Service.
- 2. This bill is intended to set up a bi-partisan commission to examine the Federal civilian and military retirement systems. The focus would be on the long-term financial requirements of the systems.
- The House Committee does not intend to move on Archer's legislation. The Committee is already studying Federal civilian retirement and the House does not intend to take up military retirement any time soon. Archer has in the past been a strong proponent of reducing the growth of Federally-paid benefits in order to reduce the Federal deficit.

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To establish a commission to review Federal retirement systems.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 1985

Mr. Archer introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To establish a commission to review Federal retirement systems.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SHORT TITLE
- 4 Section 1. This Act may be cited as the "Commission
- 5 on Federal Retirement Reform Act".
- 6 ESTABLISHMENT
- 7 Sec. 2. There is established a commission to be known
- 8 as the Commission on Federal Retirement Reform (in this
- 9 Act referred to as the "Commission").

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1	PURPOSE
2	SEC. 3. (a) The Commission shall examine the Federal
3	civilian and military retirement systems to assess the long-
4	term financial requirements of each system in light of both
5	projected benefits under each system and anticipated receipts
6	attributable to each system.
7	(b) After assessing each system under subsection (a), the
8	Commission shall recommend such changes in the benefits
9	under either system and in the funding of either system as the
10	Commission considers appropriate. Such recommendations
11	shall be included in the final report to be transmitted to Con-
12	gress under section 7 of this Act.
13	MEMBERSHIP
14	SEC. 4. (a) The Commission shall be composed of seven-
15	teen members, who shall be appointed within thirty days
16	after the date of enactment of this Act, as follows:
17	(1) Five members shall be appointed by the Presi-
18	dent from among officers or employees of the executive
19	branch or private citizens of the United States, or both
20	not more than three of whom may be of the same po-
21	litical party.
22	(2) Five members shall be appointed by the Presi-
23	dent pro tempore of the Senate from among Members
24	of the Senate or private citizens of the United States
25	or both, not more than three of whom may be of the
26	same political party.

٠	1 (3) Five members shall be appointed by the
	2 Speaker of the House of Representatives from among
	Members of the House or private citizens of the United
•	States, or both, not more than three of whom may be
	of the same political party.
	6 (4) The Secretary of Defense (or his delegate)
,	shall serve ex officio.
8	S (5) The Director of the Office of Management and
ę	budget (or his delegate) shall serve ex officio.
10	(b) The President shall designate a Chairman from
11	among the members of the Commission.
12	(c) A vacancy in the Commission shall be filled in the
13	manner in which the original appointment was made.
14	(d) The term of office of each member and of the Chair-
15	man shall be for the life of the Commission.
16	(e) Members of the Commission shall serve without ad-
17	ditional compensation for their work on the Commission.
18	However, each member of the Commission shall be reim-
19	bursed for travel expenses, including per diem in lieu of sub-
20	sistence, in the same manner as authorized by section 5703
21	of title 5, United States Code, for persons in Government
22	service employed intermittently.
23	STAFF
24	SEC. 5. (a) The Commission shall appoint and fix the
25	pay of an Executive Director and may appoint and fix the
26	pay of such additional personnel as it considers appropriate

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(b) The Executive Director and staff of the Commission shall be appointed subject to the provisions of title 5, United 2 States Code, governing appointments in the competitive serv-3 ice, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title 5 relating to classification and General Schedule pay rates. 7 (c) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United 9 States Code. 10 POWERS OF COMMISSION SEC. 6. (a) The Commission of any member it author-11 izes may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, request such attendance, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission or any such member may administer oaths or affirmations to witnesses appearing before the Commission. 18 (b) The Commission may acquire from any Federal department or agency information that it considers useful in the discharge of its duties. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission to the extent permitted by law. 22 23 (c) The Commission may request the head of any Federal department or agency to assign, with or without reim-

bursement, any personnel of such agency to the Commission

- 1 to assist in carrying out the Commission's duties under this2 Act.
- 3 (d) The Commission may solicit, accept, use, and dis-4 pose of donations of money, property, or services.
- (e) The Commission may use the United States mails in
 the same manner and under the same conditions as other
 Federal departments and agencies.
- 8 (f) The Administrator of General Services shall provide 9 to the Commission on a reimbursable basis such administra-10 tive support services as the Commission may request.

11 REPORTS

SEC. 7. The Commission shall transmit to Congress and 12 the President such interim reports as it considers appropriate 13 and shall transmit a final report to Congress not later than ten calendar days after the One-hundredth Congress assembles. The final report shall contain (1) a detailed statement of the findings and conclusions of the Commission, and (2) rec-17 ommendations for such legislation or administrative action as the Commission considers appropriate. Any recommendation submitted under this section shall be accompanied by provi-20 sions specifying the method by which and the time over which such recommendation may be phased in without caus-22 ing undue interruption to the existing Federal civilian and military retirement systems.

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1	TERMINATION
2	SEC. 8. The Commission shall terminate ninety days
3	after its final report is transmitted to Congress under section
4	7 of this Act.
5	AUTHORIZATION OF APPROPRIATIONS
6	SEC. 9. There are authorized to be appropriated such
7	sums as may be necessary to carry out this Act.
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February 20, 1985

expectancy for you than there has been for me. Education is one thing that unlocks almost any door. Cherish the fact that it's available to you and make the most of it. I wish a great full society-serving life for you all, and if the Horatio Alger spirit is with you—you'll make it.

H.R. 1018, A COMMISSION TO REVIEW PEDERAL RETIRE-MENT SYSTEMS

HON. BILL ARCHER

OF TEXAS

THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

• Mr. ARCHER. Mr. Speaker, in this Congress, I have again introduced legislation which would establish a commission to review Federal retirement systems. The bill, introduced on February 7, is H.R. 1018.

The issue of Federal retirement systems is one which I have long felt needs a thorough examination. The purpose of this bipartisan commission shall be to review and examine the Federal civilian and military retirement systems. It will assess the long-term financial requirements of each system in terms of both the projected benefits and anticipated receipts for the systems.

In light of the recent events and circumstances surrounding the debate over Federal pension plans and retirement systems, this bill is timely and merits the prompt attention of the Congress. Some sources estimate that Government retirement plans provide benefits and incur costs three to six times as great as the best private sector plans. At this time of tremendous budget deficits, there is no doubt a need to eliminate waste while continuing to provide a supportive Federal pension system. A bipartisan commission with a congressional directive to review the Federal retirement systems could offer suggestions for pension system reforms which are both fair and equitable. It would provide an opportunity for all affected groups to participate in the process of reaching a public consensus on the scope of the issue of pension reform. It is essential that our Federal pension systems ensure efficiency while providing incentives for attracting and retaining our civil service and military employees. I urge my colleagues to join me in cosponsoring H.R. 1018 to establish a commission to review our Federal retirement systems.

PRESIDENT ALFONSIN OF ARGENTINA RECEIVES DEMOCRA-CY AWARD

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

• Mr. BARNES. Mr. Speaker, it was recently my privilege to cosponsor,

along with the gentleman from California, IMr. Lagomarsinol, the first Western Hemisphere Legislative Leaders Forum. Some 50 legislative leaders from around our hemisphere attended this 2-day conference, which was held in the Foreign Affairs Committee room in the Rayburn Building. The meeting was organized by the Center for Democracy, and owes much of its success to the vision and dynamism of the center's president, Dr. Allen Weinstein. I hope and trust that other such forums will be held in the future.

During the conference, the Center for Democracy presented its Democracy Award to President Raul Alfonsin of Argentina. As the leader of Argentina's transition to democracy during the past year, President Alfonsin is indeed a worthy recipient of this award. As some of my colleagues may know, President Alfonsin will make a state visit to the United States next month, and I know we all look forward to receiving him.

Accepting the Democracy Award on behalf of President Alfonsin was Argentina's very able Ambassador to the United States, His Excellency Lucio Gracia del Solar. Because Ambassador Garcia del Solar's address contains many important insights on the transition to democracy in Latin America—and on the threat to that transition that is posed by what the Ambassador calls "the specters of growing poverty, economic hardship, unsatisfied need and want"—I am including the address at this point for the information of the Members.

DEMOCRACY IN THE HEMISPHERE

It gives me great pleasure to address this audience of distinguished legislators from our hemisphere at a meeting organized by the Center for Democracy which is bestowing the Democracy Award on the President of my country, Raul Alfonsin. This award represents a recognition of the success Argentina is having in recovering the democratic traditions that contributed to the development of the nations of the hemisphere; it is also a recognition of the significance of the regeneration of democratic governments in many Latin American countries.

Democracy is not just a word in our hemisphere, but, as you well know, neither is it a practice that can be taken for granted. Too many nations of the hemisphere are still struggling to return to a democratic way of life or to conserve it. Many of us have learned through bitter experience that democracy is not only necessary for institutional stability, and economic development, it is also the only way of honorably and effectively upholding western values in our societies.

As President Alfonsin has said "Democracy is not simply established by majority rule: What makes a system democratic is the way power is exercised, the manner in which governments submit themselves inexorably to institutional and electoral constraints." I am proud to say that the administration of the radical civic union has governed Argentina for more than a year and in that time our government has restored a sense of decency and fairness to public affairs in a very troubled land, while earning credibility abroad. The award the center is giving our President is a testimony to this fact.

But though it is true that democracy is necessary for justice, freedom and peace, it is also true that recuperating political liberty is not sufficient to achieve and preserve these values. We cannot live by democracy alone.

The move towards democracy in the hemisphere, which is a move towards establishing a viable center in our societies that will cement and preserve our institutions, is threatened by the most serious financial crisis that we have ever faced. This international crisis is beyond our control and in its potential for devastation it has been compared to the depression of the thirties.

I hope that it is only ironic and not tragic that at a time in which the move towards democracy is deepening and widening in the hemisphere, knitting our societies together with bonds based on common values and political practices—in many of the reclaimed democracies we are faced with the specters of growing poverty, economic hardship, unsatisfied need and want.

We understand that the present economic and financial crisis of our countries is not due to the ill will of our creditors. The hard economic realities with which we cope; high interest rates that increase our debt burden and the forces leading to the protectionism that limit our exports, adversely effect economies in the north as well as in the south. But it is also true, and we are quite aware of this truth, that the north is more in a position to solve our common problems than those who have not yet achieved the political stability and economic prosperity that the democratic way of life promises.

Fortunately throughout the hemisphere many people have become aware of the stake we all share in reconstructing and protecting the link between prosperity in the north and growth and democracy in the south. It is becoming more and more obvious that a rich democratic north, financially, economically and politically alien to an improverished south, is a danger to hemispheric values, stability, peace and security.

One of the important roles the Center for Democracy may play in world affairs is to highlight relevant issues and to stimulate the discussion of problems by persons who are in a position to implement their conclusions. This is another reason we value the award you are bestowing our President.

Those of us who are committed to shared values must come together to coordinate our efforts in behalf of practical goals and ideals by getting to know one another and learn about the similarities in our geographically very distant political contexts, whether these contexts are shaped by the concerns of farmers in Iowa or peasants in Peru, steelworkers in Pennsylvania, or miners in Oruro, cane cutters in Jamaica or textile workers in Argentina. This kind of cooperation has worked in the European Community and between Europe and the United States. Why should it not work in our hemisphere?

Solutions to international problems cannot be brought about by self-defeating political and economic confrontation, but only by a wider and more knowledgeable coperation. It is in this field of international cooperation where the Center for Democracy excells as the presence here of legislators from all points of the hemisphere confirms. It is by addressing frankly, in such a forum, the unsolved problems of today, that you will assure that these problems will not set the stage for the future.

Thank you.